

Government of Sark

## POLICY & FINANCE COMMITTEE FUTURE ENERGY COMMITTEE

Committees of the Chief Pleas of Sark
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## Statement from the Policy & Finance Committee and the Future Energy Committee regarding SEL price increases and an update on compulsory purchase

Sark Electricity Limited ('SEL') has announced two significant price increases in the space of two days this week; from Monday 1st September, the unit price of electricity will rise from 49p per unit to £1.14 per unit. This increase includes additional levies of 40p and 20p per unit for 'legal costs.'

The Committees are extremely concerned about these developments and firmly believe that the additional levies are unjustified. Charges of this kind, which are not linked to the normal running of the business, have never been permitted under any previous Price Control Order. In response, the Electricity Price Control Commissioner has launched an urgent formal investigation into whether this new pricing is fair and reasonable; if the Commissioner concludes that the increase is not justified, a new Price Control Order may be issued to set a regulated price. It is anticipated that a draft determination will be published early next week, followed by a consultation period, with a final determination expected by the end of September 2025.

We recognise that a price rise of this scale may cause financial hardship for many. Customers who anticipate difficulty paying should contact SEL in the first instance, but residents can also reach out to the Island Safeguarding Officer.

The Committees are also aware of concerns about the threat of disconnection. To be clear: if SEL attempted to disconnect large numbers of residents for non-payment of unjustified bills, Chief Pleas would immediately seek the intervention of the Civil Contingencies Authority to ensure residents are protected and that no one is placed at risk.

Separately, the compulsory purchase process is underway. A valuer has been suggested to SEL.

Our preference is to agree a joint valuer with SEL, but if agreement cannot be reached, the Policy & Finance Committee will apply to the Court for an order appointing the valuer in accordance with the statutory process. An update will be issued as soon as possible.

The Committees remain committed to ensuring that Sark has a reliable and sustainable electricity supply, and will continue to keep residents updated as this process progresses.

**29th August 2025**